

**LEMON GROVE CITY COUNCIL  
AGENDA ITEM SUMMARY**

**Item No.** 1.D  
**Mtg. Date** February 17, 2015  
**Dept.** Finance

**Item Title:** Fiscal Year 2014-2015 Revised Appropriations Limits

**Staff Contact:** Cathleen Till, Finance Director

**Recommendation:**

Adopt a resolution (**Attachment A**) approving revised Appropriations Limits for Fiscal Year 2014-15.

**Item Summary:**

State Constitution Article XIII-B (Propositions 4 and 111) places an appropriations limitation on State and Local Government. The limit is adjusted each year by multiplying the previous year's limit by a factor based on either the change in the California Per Capita Personal Income or the change in Non-Residential Construction Valuation and by either the population change of the City or the County.

Through the budget process, the City Council established Appropriation Limits of \$41,047,307 for Fiscal Year 2014-15. Through the audit process, staff discovered that the factor used in the Fiscal Year 2014-15 calculation should have been 1.0109, not 1.0090. Using the revised factor modifies the Appropriations Limits for Fiscal Year 2014-15 to \$41,122,610.

Staff recommends that the City Council adopt a resolution (**Attachment A**) approving revised Appropriations Limits for Fiscal Year 2014-15.

**Fiscal Impact:**

None.

**Environmental Review:**

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review         | <input type="checkbox"/> Negative Declaration           |
| <input type="checkbox"/> Categorical Exemption, Section [       ] | <input type="checkbox"/> Mitigated Negative Declaration |

**Public Information:**

- |  |   |   |
|--|---|---|
| <input checked="" type="checkbox"/> None                     | <input type="checkbox"/> Newsletter article   | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input type="checkbox"/> Notice published in local newspaper | <input type="checkbox"/> Neighborhood meeting |   |

**Attachments:**

A. Resolution



**RESOLUTION NO. 2015-\_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE CITY COUNCIL  
REVISED APPROPRIATIONS LIMIT FOR FISCAL YEARS 2014-15**

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**WHEREAS**, California Constitutional Article XIII-B (Propositions 4 and 111) places an appropriations limitation on State and local governments; and

**WHEREAS**, the appropriations limitation is based on proceeds of taxes adjusted annually from the base year 1986-87 by either the population growth factor for the City of Lemon Grove or for the County of San Diego, and by either the change in the California Per Capita Personal Income or the change in Non-Residential Construction for the City of Lemon Grove; and

**WHEREAS**, the City has received inflation and population data from the State Department of Finance to calculate the Fiscal Year 2014-15 Appropriations Limit; and

**WHEREAS**, the City Council of the City of Lemon Grove wishes to select those options providing the greatest rate of change as shown below:

**Fiscal Year 2014-15:**

Change in California Per Capita Personal Income	County Population Change	
<u>(inflation factor)</u>	<u>(population factor)</u>	<u>Factor</u>
1.0132	0.9977	1.0109

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Lemon Grove, California establishes the Fiscal Year 2014-15 Appropriations Limit at \$41,122,610.

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